

## Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 04588 061715Z

ACTION STR-04

INFO OCT-01 EUR-12 ISO-00 STRE-00 IO-13 AF-10 ARA-06  
EA-07 NEA-10 CEA-01 CIAE-00 COME-00 DODE-00 EB-07  
FRB-03 H-01 INR-07 INT-05 L-03 LAB-04 NSAE-00  
NSC-05 PA-01 EPG-02 AID-05 SS-15 ITC-01 TRSE-00  
USIA-06 PRS-01 SP-02 OMB-01 FEA-01 AGR-05 OIC-02  
OPIC-03 /144 W

-----062013Z 052218 /72

P 061425Z MAY 77

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC PRIORITY 3727

LIMITED OFFICIAL USE EC BRUSSELS 04588

PASS ELECTRONICALLY FOR STR - POMERANZ

E. O. 11652: N/A

TAGS: EEC, ETRD, MTN, OECD

SUBJECT: GOVERNMENT PROCUREMENT

REF: (A) EC BRUSSELS 3773, (B) STATE 96696

(C) POMERANZ- MURPHY TELECON 4/29

1. ECONOMIC COUNSELOR JOHNSTON AND INDUSTRIAL AFFAIRS  
OFFICER MURPHY MET WITH DIRECTOR GENERAL FOR INDUSTRIAL  
AFFAIRS BRAUN AND SPECIAL ASSISTANT DERISBOURG MAY 5 TO  
DISCUSS EC VIEWS ON HOW TO PROCEED ON GOVERNMENT PRO-  
CUREMENT EXERCISE WE MADE POINTS CONTAINED REF B RE  
NECESSITY OF MAINTAINING AGREED PRACTICE OF BI-  
LATERAL CONSULTATIONS TO PREPARE FOR SUCCESSFUL MULTI-  
LATERAL MEETING AND OF CONSEQUENT IMPORTANCE THAT WE  
SEE EC POSITION PAPERS (REF A) BEFORE AGREEING TO HOLD  
SUCH A MEETING.

2. EC RESPONDED THAT SITUATION HAD CHANGED SIGNIFICANTLY  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 04588 061715Z

IN RECENT WEEKS. MEMBER STATES WERE NOW SOMEWHAT DIVIDED  
ON DESIRABILITY OF OECD CONSULTATIONS AND THE COM-  
MISSION, FOR ITS PART, HAS WRITTEN OFF THE IDEA OF  
TCWP MEETING IN OECD FOR THIS SUMMER. COMMISSION  
IS WAITING FOR INDICATIONS FROM LONDON SUMMIT AND BI-  
LATERAL EXCHANGES ON MTN DIRECTIONS AND THE PROSPECTS FOR  
HARD PUSHES FROM BOTH SIDES TO RESOLVE GOVERNMENT PROCURE-

MENT ISSUE. IF SIGNALS ARE POSITIVE AN EXPERT-LEVEL, BILATERAL MEETING COULD BE SCHEDULED FOR JUNE OR JULY WITH AN EYE TOWARDS A SEPTEMBER OR OCTOBER TCWP MEETING. AT THIS BILATERAL MEETING, IT IS VERY LIKELY THAT EC WOULD TABLE ITS DRAFT PROPOSALS. IN THIS CONTEXT, HE FELT IT WOULD NOT BE NECESSARY TO ASK MEMBER STATES' PERMISSION TO TABLE EC PROPOSALS. DERISBOURG EXPRESSED VIEW THAT EXPERT MEETINGS WERE CRUCIAL TO AN ASSESSMENT OF WHETHER AND HOW GAPS BETWEEN U.S. AND EC COULD BE BRIDGED. DEPENDING UPON RESULTS, COMMISSION WOULD HAVE TO MAKE FINAL EFFORT WITH MEMBER STATES ON SUBSTANCE. IN THIS LIGHT HE FELT THAT GENEVA MTN SUB-GROUP MEETING WOULD BE MAINLY FOR BENEFIT OF LDC'S AND COULD NOT BE THE LOCUS FOR SUCH HARD DECISIONS.

3. COMMENT: BRAUN SAID HE WAS QUITE CONCERNED WITH TIMING OF MTN EXERCISE. IN HIS VIEW, IT IS IMPERATIVE TO HAVE SOME RESULTS BEFORE THE "BEGINNING" OF THE FRENCH ELECTIONS (PROBABLY MARCH) SINCE AROUND DECEMBER POLITICIANS WOULD START TO QUOTE RUN FOR COVER UNQUOTE. THE PROSPECT OF GAINS BY THE LEFT WOULD REINFORMCE FRENCH MERCHANTILIST TENDENCIES, AN ONCE THE ELECTIONS WAS IN FULL SWING IT WOULD BE VERY DIFFICULT TO GET FRENCH AGREEMENT FOR MTN CONCESSIONS. HINTON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT PROCUREMENT, DIPLOMATIC DISCUSSIONS, REGIONAL ORGANIZATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 06-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977ECBRU04588  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770160-0218  
**Format:** TEL  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770586/aaaacwmn.tel  
**Line Count:** 87  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 1fc48a99-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION STR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 EC BRUSSELS 3773, 77 STATE 96696  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 01-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2619664  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOVERNMENT PROCUREMENT  
**TAGS:** ETRD, EEC, OECD, MTN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/1fc48a99-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009